MUR 7453

September 5, 2018

General Council
Complaints Examination &
Legal Administration
Attn: Christal Dennis, Paralegal
999 E Street, NW
Washington, DC 20436

Dear Ms. Dennis,

The following is my response as a <u>volunteer</u> treasurer of the AJ Kern for Congress campaign—my wife's campaign. I am responding to Federal Election Commission compliant MUR 7453, filed by Mr. Mathew Stevens who resides at NW, Elk River Minnesota.

The complaint is a 3 count indictment including the same claim that Congressional Chief of Staff David Fitz Simmons made against me in his 2016 complaint (MUR 7115) alleging that I exceeded contribution limits to my Wife's campaign. This original complaint was resolved in February 2018 in a five to zero vote by the commissioners to take no action. The FEC should note that Mr. Stevens and Mr. Fitz Simmons are closely connected socially and as GOP activists participating commonly in State and District 6 Republican conventions and working for Mr. Emmer over a period of years. Surely Mr. Stevens is aware that Mr. Fitz Simmons complaints from the 2016 election cycle were dismissed earlier this year as I wrote of the decision in an editorial comment to the St. Cloud Times, the newspaper of record for the sixth congressional district. It is disturbing that Mr. Stevens continues to harass me with ongoing frivolous complaints, including outdated claims that have previously been settled by the FEC commissioners.

Most importantly there were no unethical or illegal contributions to our campaign or unethical or illegal fundraising activities, rather the items of concern to Mr. Stevens represent simple clerical details in in recording transactions by this volunteer treasurer. At the time of our July quarterly report we had raised a grand total of \$7,089.61 of which approximately \$2,428 was contributed by the candidate and \$2,623 was contributed by me, and \$400 was loaned to the campaign by the candidate. And still with these trivial amounts, Mr. Stevens is somehow concerned that we may have taken part in some form of unfair, unethical or illegal campaign tactics, or apparently that I must have attempted to exert undue influence with excess contributions to my wife's campaign, in the 2016 election cycle.

The topics of Mr. Stevens' complaints are also now irrelevant, and were irrelevant at the time the complaint was filed because I had filed amended returns prior to receiving Mr. Stevens' current complaints. His complaints refer to outdated reports that were amended under consultation with FEC support staff after my wife declared her candidacy.

As campaign manager, treasurer, chief information officer, all other campaign positions and husband, I am asking that the Federal Election Commission take no action against me and to close this complaint.

Count 1.

Mr. Stevens alleges that I, "may have", exceeded contribution limits to my Wife's congressional race.

Mr. Stevens cites transactions on March 8th, 18th and April 11th and 23rd in amounts of \$86.00, \$115.00, \$150.00 and \$75 respectively which were also the subject of MUR 7115 filed in 2016 by Congressman Tom Emmer's Congressional Chief of Staff David Fitzsimmons. In my response to MUR 7115 I responded to this complaint as follows:

"He cites transactions from March 8th and 18th and April 11th and 23rd. These transactions were from situations in which we received small contributions of as little as \$3 to as much as \$50 in cash from small groups of supporters. Because I did not personally identify each contributor, I simply recorded the contributions as cash contributions from me as I was not aware that I could enter anonymous contributions into the FecFile software. Per my discussions with FEC staff I have amended my report showing these transactions which total \$576.00 from small anonymous contributions. I am asking that the Federal Election Commission take no action on this charge."

In 2016 the FEC voted five to zero to take no action on Mr. Fitzsimmons complaint regarding subject transactions, and I maintain the same rationale for these four contributions as well as other similar contributions reported in my October quarterly report from the 2016 election cycle identified in the current compliant. While in consultation with FEC staff in 2016, I properly attributed the subject contributions as small anonymous contributions received in the process of campaigning. Total amounts are shown on each report as un-itemized contributions. The total of these and other small anonymous contributions amounted to a total of \$1,456.00 on my October 15th 2016 quarterly report. These contributions are recorded per advice provided by FEC staff in 2016.

I am asking that the Federal Election Commission make the same decision it made under the same circumstance with respect to the previous complaint filed in 2016 and take no action against me and to close this complaint.

Count 2

Mr. Stevens alleges that I omitted campaign advertising expenses on the 2017 year-end report.

AJ boosted some videos on Facebook in 2017 and 2018 which I accounted for in amended reports which I filed in July of 2018. I filed these amendments after consulting with FEC staff in June 2018. At the time AJ boosted these videos she was not planning to run in the 2018 primary, although her campaign committee was not closed because we were waiting for the FEC to decide on the complaints Mr. Stevens and Mr. Fitzsimmons had filed in 2016. I would otherwise have disbanded the campaign committee in 2016, and in 2017 I believe AJ would not have been considered a candidate because she had not raised or spent more than \$5,000 since the 2016 election cycle. Further, AJ did not promote herself as a candidate in the subject editorials and pod casts that she boosted. As a result, I believe these activities would not have been considered campaigning, and it is not clear that boosting editorial commentary, particularly video broadcast shows produced by others, is necessarily campaigning, in general.

Irrespective of whether these expenditures should be considered campaigning, after AJ filed with the State of Minnesota as a candidate in May 2018, I contacted the FEC to discuss the proper way to handle these expenditures under the assumption that they might be considered campaigning. On the advice of

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FEC staff, I filed amended reports in July, apparently prior to Mr. Stevens filing his complaints. I followed the advice of FEC staff and have fully accounted for all expenditures for sponsoring Facebook posts and videos in the 2018 election cycle. I believe that I fully accounted for those expenditures prior to Mr. Stevens, filing his complaint and did so by following the advice of FEC staff. I believe that as a result of following the advice of FEC staff, I am fully in compliance with applicable campaign finance law and was in compliance at the time the complaints were filed.

I am asking that the Federal Election Commission take no action against me and close this complaint.

Count 3

Mr. Stevens claims that "none of the itemized expenditures is associated with a purpose". This claim is false. I reported 9 campaign expenditures on the July Quarterly report, of which 4 properly disclosed a purpose and or category type, indicating the nature of the expenditures. Admittedly, the remaining 5 transactions were missing this category type indicator, although this hardly seems to warrant engaging the powers of the FEC and associated expenditures of the public's tax dollars to resolve this minor clerical oversight. After all, at the time of this report we had spent just \$6,820.02, just over the \$5,000 limit for even qualifying AJ as a candidate under FEC rules.

In hindsight, I suspect that after entering the transactions into the FEC-File database, I was probably distracted with my day job (my position as treasurer is voluntary) and neglected to complete recording these 5 disbursements which the FEC-File software automatically generates in the expenditures database. I have now amended the July Quarterly report to include completed transactions for each of the itemized expenditures.

As I believe I am fully in compliance with the FEC requirements with respect to this clerical issue, I am respectfully asking that the Federal Election Commission take no action on this complaint.

I find it difficult to believe that Mr. Stevens really thought our campaign might have misused or abused the public trust given the very small amount of activity in this campaign, and given that most of the campaign was self-funded through contributions from the candidate and myself. In contrast, AJ's opponent spent close to \$1,000,000 in this election cycle, more than 100 times what AJ raised or expended. While I fully respect the authority of the FEC and the intent of the law to protect the voting public from undue influence of big money in government, it is my belief that Mr. Stevens had no such concern, but rather has filed these frivolous complaints with the intention to bully a small grass roots candidate out of the race.

I am respectfully asking that the FEC take no action on these complaints filed by Mr. Matt Stevens.

I swear that the above statements accurately reflect my actions as voluntary treasurer for the AJ Kern for Congress campaign.

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